

Board Retreat (Friday, September 26, 2014)

Generated by Shelley R Shelton on Thursday, October 2, 2014

Members present

Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson

Excused:

Shannon Poulsen

Staff present

Supt. Keith C. Rittel; Asst. Supt. Ray Morgan; Business Administrator Stefanie Bryant; Exec. Director of Human Resources Gary Wall; Exec. Director of Student Services Gary Wilson; Director of Elementary Education Alex Judd; Exec. Asst. Shelley R. Shelton

Guests

Morgan Anderson, Director of Special Education; Chad Duncan, Technology Director; Mark Wheeler, Director of Facilities & Maintenance; Caleb Price, Communications & PR Coordinator; Devyn Dayley, Accounting Director; Ed Erickson and Aaron Hixson, auditors from Hansen, Bradshaw, Malmrose and Erickson CPA firm.

Following the executive session, the study session was called to order at 10:15 AM

A. 8:00 - 10:15 a.m. Executive Session for the Purpose of Discussing Real Estate and Personnel. Utah Code 52.4.205

1. Discussion Items

B. 10:30 a.m. Study Session

1. Welcome: Pres. Michelle Kaufusi

2. Roll Call

3. Open Meeting Law Training

Supt. Rittel indicated all relevant documents according to state law are included in the packet for board member review.

4. Fund Balance and Prospective Purchases

- Business Administrator Stefanie Bryant reviewed the Fund Balance Summary, indicating the district saved approximately \$1.8M in unrestricted funds last year. Most other fund balances are down slightly, which Ms. Bryant attributed to budgets not being updated due to recent staff turnover in the business office. The district received more money from the state than had been budgeted for. This year's budget will be spent down by \$5 million with \$3.5 million in capital projects.
- Supt. Rittel reviewed the Proposed Expenditures against the Fund Balance sheet.
 - Supt. Rittel and former business administrator Kerry Smith had developed a plan where they knew if the district was going to try and keep pace with current compensation issues in neighboring districts, the district would be dipping in to the fund balance over the next several years for as much as \$1M per year. The board may need to look at a non-voted tax increase in the future. That discussion will take place during the January 2015 retreat. While \$1M has been budgeted, significantly less has been needed to keep up in compensation areas.
 - The top three priorities for extra funding are technology, compensation and curriculum since long-term planning has not taken place in those areas.
 - Supt. Rittel has requested \$875,000 for the Provo Way Innovation Learning Initiative and to replace teacher and student computers. The remainder will be kept in the fund balance.
 - Supt. Rittel recommended touch screen laptop computers be purchased rather than the Chromebooks originally planned for (\$330,000). Qualifying machines for replacement will be on a replacement list.

Several programs the district uses will not run on a Chromebook. Some teachers are using computers that are 8-9 years old that can no longer be repaired and must be replaced.

- Non-Title I schools would have the first new teacher computers since they traditionally have the oldest ones. Machines 5 years old and older will be replaced.
- Technology Director Chad Duncan is hoping to replace a third of the student computers.
- The board will approve the purchase during the October 14 business meeting.
- Down the road the district will recommend parents purchase recommended products (tablets, etc.) for children's birthdays, Christmas, etc.
- Innovation Learning Initiative teachers will be required to sign a commitment form to take care of new machines in their classrooms.
- The board will be updated on the teacher requirements for participating in the Learning Initiative.
- Supt. Rittel reviewed the 2014-2015 funding outline for the Provo Way Innovation Learning Initiative:

Item	Cost	Other Information
1070 Chromebooks	\$385,000	Comes with the Google license of about \$29 per device
33 charging/storage carts	\$45,000	
3600 licenses for learning management system	\$34,000	For teachers and students
Professional development costs	\$25,000	Assorted support from knowledgeable trainers
1 st year teacher stipend	\$40,000	\$1200 per teacher
Discretionary/supplies	\$46,000	This is for items/issues we cannot currently foresee
Total	\$575,000	

C. 10:45 - 12:15 Business Dept.

1. 10:45 - 11:30 Draft Comprehensive Annual Financial Report (CAFR), 2013-2014 Audit Findings & Management Letter

Accounting Director Devyn Daley reviewed the draft CAFR as posted in the board packet, stating reporting is done by funds: General, Debt Service, Capital Projects and Non-Governmental (Food Services, Student Activities, etc.).

Governmental Funds over all showed a decrease of \$647K in fund balance in FY14.

Restricted and Committed Fund Balances decreased (spent) by \$4.2 million

- Restricted funds are spent before unrestricted funds.
- Capital funds decreased by \$3.4 million, due partly to the transfer to the Municipal Building Authority, which had a negative fund balance last year.
- General fund restricted balance decreased by \$400K
- Food Services Fund decreased by \$300K, a basic spend-down for kitchen equipment replacements.
- There were no needed fund transfers from the Building Reserve Fund to Capital Projects.
- OPEB and contingency funds stayed the same.

Unassigned fund balance - total \$4.5 million

- Overall unassigned increased by \$3.8 million
- General Fund increased by \$2.3 million
- Non K-12 has a deficit fund balance of \$500K
 - Tax revenue collapsed into General Fund-transfer will be done in FY715 to correct deficit
- Unassigned funds in FY13 totaled \$793,972
- Unassigned funds in FY14 totaled \$4,519,860

Highlights from Statement of Revenues, Expenditures and Changes in Fund Balances

- Governmental funding is also broken in funds.
- State revenue is up approximately \$4M from last year

- Most revenues stayed relatively flat
- Local revenue decreased by \$700K—will decrease again this year due to lower indirect rates
 - Based on expenses from two years ago, indirect rates are set for this year. Indirect rates are what the federal government comes up with based on expenditures that the district can charge a federal grant for overhead expenditures such as for payroll and administrative functions.
- State revenue increased by \$4 million, mostly WPU related
- Capital outlay increased by \$1.4 million—increased number of projects completed on master plan
- Instruction expenditures increased \$2 million
- Other functions increased with the collapse of the "Other" Function
 - There are nine reporting functions used such as instructional, student support services, etc., including the "Other" function. The State eliminated the "Other" function at the beginning of the year, resulting in funds being allocated to relevant remaining functions.

Independent Auditors' Report

State regulation and board policy requires an annual financial audit be conducted by an external CPA firm.

The business office prepares monthly board "soft close" financial statements to report the district financial status. This involves ongoing financial policy compliance reviews, reconciliations, budget variance reporting, training, and many other functions that go into the quality financial reports the board sees every month as well as timely, accurate reporting within the organization. The business office staff also prepares a "hard close" annual financial statement at year end, which is incorporated into the award-winning CAFR and is reviewed by an external CPA firm.

Hansen, Bradshaw, Malmrose and Erickson had been selected as the District's independent financial auditor to attest to the material correctness of the District financial statements. At the Board's direction, Hansen, Bradshaw, Malmrose and Erickson also completed minimal follow up to 2013 additional agreed upon procedures at the secondary schools throughout the district. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent audit of the financial statements meet requirements according to Utah State Code 51-2 to report on compliance with significant state fiscal laws and was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of the Office of Management and Budget Circular A-133, Audits of States and Local Governments and Non-Profit Organizations, which are the authoritative standards governing Single Audit engagements. These standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

At the time of this writing, no management letter concerns, or items of significant concern, have been brought to the District's attention.

Auditors Ed Erickson and Aaron Hixson reviewed the Independent Auditors' Opinions and the Verbal Audit Findings.

Auditors' Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Provo City School District, as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Verbal Audit Findings

- Board minutes were not included on the public notice web site, just the agenda and notice.
 - District Response: After the auditors spoke with the executive assistant, she immediately put minutes on the site. The auditors made this verbal because in their review, very few entities were putting their minutes on the public notice web site. Minutes will continue to be posted as suggested here forward.
- Undistributed reserve was over the 5% limit.
 - District Response: There is vague interpretation of this "auditor" rule, as to whether all funds are used in the calculation or just the general fund. The auditors have attempted to get information from the state auditor, but have been unsuccessful. Undistributed reserve is budgeted to be drawn down in FY15 and exceeding the 5% limit should not be an issue.
- During school cash audits, it was noted that the information provided by food service personnel to office personnel pertaining to daily deposits was deficient.
 - District Response: After this was discovered, the auditors and the accounting director met with food services personnel and came up with new procedures which were implemented immediately. The auditors

were satisfied with the solution, so were willing to give a verbal warning.

Written Findings

- Principal at an elementary school was in a meeting so they had the assistant principal sign the form for approval, but a second signature was never received because of a misunderstanding of the process.
 - District Response: District management concurs, that the while controls are in place to provide opportunity for administrators to approve, controls in this situation were not explained well to district staff. The district has regular purchasing training, but generally the training is for secretarial staff. These procedures will be reviewed with principals at a forthcoming principal meeting.
- Adult Ed had one student who was reported to receive 20 hours more than substantiated.
 - District Response: Information for Adult Education is entered into the UTopia system, which tracks all of the attendance and service hours for students. Teachers will enter their attendance daily, or at least weekly, and check as they go to avoid miscounting hours. The teachers will then be instructed to review the attendance records at the end of each term in order to double check records.
- Adult Ed had one student who was awarded one level gain more than actual.
 - District Response: Level gain information is also entered into the UTopia system. Adult Ed staff will make sure there is a process in place to double check test scores entered into the system to verify correct information is entered.
- The records management official had not completed an online training course required for all records managers.
 - District Response: With the turnover in district staff, there was no information given about a required training session for the records manager. Once this was discovered, training was identified and the employee completed the required training the next day.

2. 11:30 - 12:15 Capital Projects Update

Facilities Director Mark Wheeler reviewed the following:

FY15 Capital Projects Update

- Secured Entrance Project / COPS Grant
 - Original Budget for Entrances: \$309,605
 - Transfer from Wasatch Roof: \$232,000
 - Covered costs for security cameras & bus cameras
 - Remaining budget as of Sept. 25, 2014: \$ 55,400
 - Dollars spent matched by COPS Grant
- Westridge Parking Lot Redesign
 - Original Budget: \$315,000
 - Changes due to City Requests: \$ 15,000
 - Project created Fire Access to north side
 - Improved safe traffic flow between parents & buses
 - Improved safe pedestrian walkways for students
 - Improved ADA access to drop-offs and main entrance
- Timpview High School Track & Field & Drainage Project
 - Board Approved Budget: \$2,000,000
 - Includes:
 - Subgrade & site drainage improvements
 - Track replacement
 - Synthetic Field Replacement
 - Field Lighting
 - Does not include:
 - Concessions
 - Bleachers
 - Press Box
 - Status: Currently Pre-qualifying architectural firms
- Other items
 - Wasatch walkway enclosure
 - Concept includes quality & safe walkway between Wasatch and Oakridge.
 - Preliminary Budget of approximately \$200,000
 - Facilities recommends that this project start construction during the summer. Too many disruptions to students and faculty during the school year.
 - Wasatch computer lab walls
 - Requested by Wasatch Administration as #1 priority.
 - Needed to allow computer lab and library operations to function at the same time.
 - Currently the computer lab disrupts testing, other needs, etc.

- Keith wants further study prior to making any decisions.
- East Bay Post High Facilities
 - Two portables are currently used for daily operations
 - Portables = a total of 2,880 square feet.
 - Total # of students and faculty = 50
 - No space for time-out rooms (3 recent incidents)
 - No proper spacing for sensory activities
 - Not enough dedicated restroom / changing room facilities
 - Facilities is requesting direction from the Board to review options.

D. 12:15 - 12:45 Lunch

E. Superintendent 12:45 - 2:00

1. Graduation Rates

Keith led the discussion, stating there's some overlap between the topics of graduation rates, "D" grades, schools start times/high school mentoring and programs. High school principals had received lists of this year's seniors in danger of not graduation. Each principal had been asked to be prepared to share what they had done in terms of responding to the 2014-2015 graduation data request for their respective schools.

- Timpview Principal Todd McKee addressed the issue of THS students
 - 2/3 of students are on track to receive the high school diploma. Another 25% are on track to receive the district diploma, leaving approximately 19 students that are off track and in danger of not graduating for various reasons. After evaluating the list of 19, administration was able to reduce the number to 3 or 4. Some students had left the district, were exchange students, or were special ed. students with an IEP that gives them the right to remain enrolled until age 21.
 - Administrators are currently following up on the data cleanup of the state's list of last year's students who didn't graduate. Of the 40+ students on the state list, all but 10 have been identified as having transferred to Adult Ed., moved to a different school or state, left the country i.e., foreign exchange students, etc. The 30+ students were not coded correctly in the system as having changed schools, moved, etc.
- Provo High School Principal Karen Brown addressed the PHS graduate status
 - Approximately 46 students have been identified by counselors as being in danger of not graduating and are being closely monitored. Team meetings are held every Thursday to discuss these students and their graduation progress.
 - Administrators are concerned with the very high mobility rate - students often transfer out without letting the school know where they're transferring to, contributing to system coding issues.
 - The initial report detailed 98 students had not graduated last May. Following the data cleanup, that number is reduced to 39, of which 8 are transfers. Administrators are currently following up on those students.
 - PHS is currently at a 91% graduation rate.
- Independence High School Principal Lani Quisenberry Steadman indicated approximately 75% are graduating.
 - Procedures are in place that help administrators determine exactly where students with fewer than 15 credits are academically and why.
 - During homeroom time students are able to work on a packet without paying for it as long as they keep it at school. Two adults are available in each homeroom to provide assistance as needed.
 - Students that are borderline or have very few credits are on an academic improvement plan. Some students will go to adult Ed., take the GED or explore other options.

Member McKay Jensen explained the state graduation and related topics. Talking points included the following:

- Each year the state prepares a report for each school listing the number of students that should have graduated and the number of student that did.
- According to the state's data, Provo School District had an approximate 67% graduation rate last year.
- The report comes out in July or August but isn't finalized until the end of September, giving administrators the opportunity to track non-graduates and clean up their school data.
- Every additional ten students that are identified as graduates raises the graduation rate by 1%, emphasizing the importance of correct exit coding for each student within the system.
- If a student transfers to another Utah high school we still "own" them according to the state unless the new school "accepts" the transfer student through a records request and coding into their system.
- Youth in Custody students at Slate Canyon are automatically registered through the state, so the district "owns" them from day one whether they graduate or not.
- Non-graduating students can be remediated through September 30 and be counted as part of their cohort of the year before; they're counted as having graduated on time.

- Research points to the fact that there's essentially a "\$350,000 fine" in terms of lost earning potential on the life of a student that doesn't graduate on time.
- School diplomas requires 28 credits; the state requirement for a district diploma is 24 credits. 24-credit diplomas remove elective credits. Students are allowed to graduate with 24 credits, but credits must be for core classes. Students should know at the beginning of their senior year what classes they need if they plan on receiving a 24-credit diploma.
 - Principals McKee and Brown both stated school counselors work closely with students planning on graduating with a district diploma to ensure they have the required course credits.
- School graduation rates are much higher after schools complete their data cleanup.

2. "D" Grades

Member Marsha Judkins introduced the topic. Talking points included:

- Reasons for reinstating "D" grades
 - Students are competing for college spots with students from schools that do give out "D" grades.
 - Not having "D" grades lowers overall GPA's.
 - Time and financial resources are used for students to retake failed classes or to take online classes.
 - Teachers could feel pressured to inflate a grade to avoid flunking a student.
 - There are athletes who are not allowed to participate in sports due to receiving a failing grade rather than a "D".

Timpview Principal Todd McKee:

- What does the "D" grade indicate/represent?
 - Statistically, students who earn a "D" in middle school are over 10 times more likely to earn an "F" their first semester of 9th grade.
 - A "D" grade can be interpreted as a soft "F"; it isn't a true indicator of student achievement.
 - Has the student worked hard but not mastered the course material? If we issue "D" rather than "F" grades to "be nice" to students, are we setting them up for greater failures down the road in the next class, the next grade level or in a job? An "F" is an opportunity to remediate and provide interventions, whereas a "D" is still a passing grade and the student moves on without having demonstrated proficiency.
 - Grading in general needs to be looked at. It's not just about "B's" and "C's" and where the lines might be. If the district decided to again implement "D" grades we would have to decide what the grades represent overall; it's an indicator of something.

Superintendent Rittel:

- You can do standards-based grading but you don't have to do standards-based reporting. With standards-based grading, if students did not meet the standard they are given another opportunity to do so. Standards-based reporting is very different. As a general rule we're still dealing with the system of issuing credits, units, etc., which is what universities do. We have a large student population that subsequently attends a university. To redo an entire standards-based reporting process and make it somehow align with universities would be extremely difficult and time-consuming.
- Teachers had some influence on the initial decision to eliminate "D" grades.
- Find out what teachers think about reinstating "D" grades before making a decision, and conduct more study to gain a better understanding.
- Teachers need to be aware of what the research is saying about grading practices.
- This year the district Instructional Strategies Committee will embark on a study of grading systems/issues and how to improve.

Member Jim Pettersson:

- The program he teaches in at UVU considers a "D" a failing grade. Decisions students make on a daily basis that lead them toward any grade is beyond the control of the teacher.
- We differentiate between degrees of pass with an "A", "B" or "C", but now we're talking about not differentiating between degrees of failure?
- Why do we determine that a "D" is a passing grade and not a failing grade?
- What does research say about the future success ratio of those who get a failing grade at 69%? Does getting a "D" versus an "F" make that much difference if the failure threshold is set at 69%?
- From his perspective, 80% represents mastery and future student success while the chance for success declines considerably as scores go down.
- Setting the minimum pass at 75% sets a higher standard for student performance.

Following further discussion regarding the importance of success in high school, Supt. Rittel stated he would draft an

outline of related items that need further study for board review and feedback. He urged the board to exercise caution in making a decision.

3. District Diplomas

The topic was included in the earlier discussion of graduation rates.

4. School Start & Stop Times / High School Mentoring Programs (Next Steps?)

Keith asked the board what additional information they need.

- There seems to be constant tension surrounding the discussion of the benefits of a later start time vs. problems for afternoon jobs, athletics and extra-curricular activities associated with later stop times.
- Board members requested a data report from principals on how their early/late start schedules are working.
 - Keith will work with principals to compile the report by the end of December.

Provo High Mentoring Program:

- Term 1 last year - Science had the highest intervention attendance (1600 incidents); Math had the next highest with 1200 incidents.
- Average student intervention numbers were broken down by dept. and teacher. Business teachers had the highest average number of interventions.
- Every three weeks teachers code interventions a 1,2, 3 or 4.
 - 1=student has solid prior knowledge and skills but is not getting a specific learning target. Student needs intervention so teacher can re-teach learning target.
 - 2=student is struggling with learning target due to missing basic foundational skills. After school tutoring or other intervention needed.
 - 3=due to absenteeism, student is referred to assistant principal for intervention/lunch detention.
 - 4=unmotivated learner
- Teachers are trying to more strategically place students in the right intervention.
- Teachers are generally very happy with how it's going.

5. State of the District Report

In Dec/Jan, Supt. Rittel will give a 20-minute report in a business meeting on the district's work on the five board goals.

F. Break 2:00 - 2:15

G. Student Services 2:15 - 3:00

1. Bullying Plan

Student Services Executive Director Gary Wilson outlined the district plan:

"GREAT" STATEMENT: The Provo City School District is dedicated to creating an environment of "0% bullying behavior" within our schools.

PLAN OF ACTION:

Year 1: Vision Creation

AWARENESS

- A. System wide staff training of the new Bullying Policy/Procedure and Forms
- B. System wide student training of the new Bullying Policy/Procedure and Forms
- C. P.T.S.A. training of the new Bullying Policy/Procedure and Forms
- D. School based parent training of the new Bullying Policy/Procedure and Forms
- E. Bullying "Data Monitoring" system established
- F. "1 Minute" Bully Message read daily at each school
- G. Grades K-6 will complete monthly (October – May) "Prevention Dimension" lesson
- H. State required 2 hour Parent Seminar

KINDNESS – CARING – COMPASSION

- A. In partnership with the P.T.S.A. all schools will attend a “Rachel’s Challenge Assembly”. This assembly will be the “spring board” to creating a school wide atmosphere of kindness, caring and compassion.
- B. Student and staff signatures will be gathered for an “I WILL NOT BULLY or TOLERATE BULLYING” wall creation in every school.

POWER OF POSITIVE PEOPLE (The CORE)

- A. Development of “District Bully Team” to research and recommend ideas to support the elimination of bullying in our schools. Initial work will include the creation of the key elements that must be part of a school culture that is dedicated to ending bullying.
- B. “Hope Squads” will be established in every school. These squads will consist of key student and staff leaders who will be trained in helping others in finding solutions to bullying within the school.

SCHOOL WIDE BULLYING PROGRAM SUMMIT in February or March.

- A. Principals, key staff members and P.T.S.A. leaders will be invited to a district wide summit that will focus on three to four of the most promising programs related to the elimination of bullying.

SCHOOL WIDE PROGRAM DECISION

- A. Summit team will return to their school and present two of the programs that they see as the most promising for their school. The overall staff will commit to the program that they feel meets the needs of their school.

SCHOOL WIDE KICK-OFF

- A. Each school will hold an event to announce their bullying program to and kick-off their commitment to the program.

2. School Safety Update

2014/2015 FALL SCHOOL BOARD UPDATE

School Camera Systems

- All schools now have internal and external camera systems
- Cameras record video and some also record audio
- Posting of informational signage is underway

Bus Camera Systems

- All school buses now have six cameras installed throughout the bus
- Cameras record video and audio
- Posting of informational signage is underway
- Cameras are on a WIFI system that will allow for easy access

School Entrance FOBS

- All schools now are equipped with FOB entrances
- Policy and Procedure is being developed for FOBS
- One door will be left as a key entrance and a FOB entrance

Police Drills

- All schools trained in Active Shooter Protocol
- Run routes being developed by police: Where teachers/students would run if they had to run from a facility.
- Active Shooter training at Provo High School in August
- SWAT Active Shooter training at Independence on September 30

e-ADMINS NOTIFICATIONS

- Principal and Secretaries now have read and write access
- School Board members will be given read access
- Police dispatch to be given write only access

H. Mayor John Curtis 3:00 - 3:30

1. RDA Opportunities

Mayor John Curtis shared the information regarding opportunities to participate in Redevelopment Agency (RDA) projects (see attached).

I. Retreat Wrap-Up 3:30 - 4:00

1. Review and Discussion

Exec Session items

Take Away's

Purchases on Oct 14 for technology

Develop report on high school start times

Propose next steps for "D" grades discussion.

McKay wants to know who we would talk to about Slate Canyon, Oak Springs about being held harmless with regard to graduation rates.

Suggesting next retreat be held on Fri., Jan 30. Only business meeting in Feb.

Financial plans for next year; non-voted tax increase.

Capital projects for next year.

J. Upcoming Calendar Events

K. Adjourn

1. Motion to Adjourn

I move we adjourn the study session.

Motion by Taz Murray, second by Jim Pettersson.

Final Resolution: Motion Carries

Aye: Michelle Kaufusi, Julie Rash, McKay Jensen, Marsha Judkins, Taz Murray, Jim Pettersson

The study session was adjourned at 3:56 p.m.